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acy and the reserved rights of states, and personal and property rights. Under this latter head several pages are devoted to the discussion of the important subject of foreign corporations in the several commonwealths and their status under the Constitution.

Professor Patterson's book does not claim to be an exhaustive philosophical treatise, but, like the recent book of Professor Freund on "The Police Power," and that of Judson on "Taxation," he has collected in usable form a large amount of legal information upon an important subject. His book will be much referred to by all students of American institutions.

WILLARD E. HOTCHKISS.

University of Pennsylvania.

Smith, J. Russell. *The Organization of Ocean Commerce*. Pp. viii, 153. Price, \$1.50 paper; \$1.75 board. University of Pennsylvania, 1905. (John C. Winston Company, Philadelphia, selling agents.)

A notable contribution to the literature of economics is "The Organization of Ocean Commerce," by Dr. J. Russell Smith, instructor in Commerce in the Wharton School of the University of Pennsylvania. This subject has been treated by most economists since John Locke, but the discussion has been almost wholly concerned with the problem of commercial policy upon which there has never been any general agreement. For this reason, the scientific side of the subject which is concerned with the management of ocean transportation as a business, has been entirely neglected by English and American writers, although the Germans have paid some attention to it.

The present volume is unique among discussions of commercial problems in that throughout its one hundred and forty-one pages, the reader will search in vain for expression of opinion or large generalizations. The author confines himself exclusively to the presentation of facts and the description of processes. His study is exhaustive and much of it deals with materials which are inaccessible to the general reader. The result is a careful, accurate and minute analysis of over sea commerce, which cannot fail to be of the greatest interest, not merely to the student of commerce, but to those who are actually engaged in the business of ocean transportation.

The book is divided into three parts, viz.: Traffic, Routes and Shipping and Harbors and Port Facilities. Part I contains the most original and the most useful portions of the work. The author discusses at great length the service performed by the tramp steamer and the line vessel under the head of "speed, efficiency and economy." He shows the different kinds of commodities which are carried by the two classes of steamers, and predicts an extension of the field of the ocean liner. Of particular interest in the discharge of the charter traffic is the vivid description of the management of chartered vessels to take advantage of the opportunities of profitable traffic. The subject of Traffic is concluded with a review of ocean freight rates whose irregularity and impidity of character is illustrated by a comparison with railway charges.

Part II deals mainly with trade routes. These are divided into steam and sailing routes and exhaustive enumerations of each class are presented.

The subject of coal supply and coaling stations receives separate treatment, and there is an estimate of the probable effects of the Panama Canal upon ocean trade routes and coaling stations. The author was for two years connected with the Isthmian Canal Commission, and enjoyed exceptional opportunities for the study of the effects of the canal upon commerce. He has also drawn extensively, in this part of the subject, upon the work of Professor Emory R. Johnson, a member of the commission. The reader will be relieved to find that Dr. Smith has refrained from contributing to the subsidy discussion. His treatment of government control is occupied with government regulations for the protection of life and property in the construction of the ship in its loading and in regulations of departure and arrival; and in surveys of coasts, forecasting of weather, charts of ocean routes, protection by navies and signal codes.

Part III deals with harbors and port facilities, and concludes with a description of the handling of freight. Chapter XIII will be of great interest to residents of American seaports, in view of the discussion of the English methods of raising funds for port improvements. Dr. Smith seems to favor the plan there adopted, of the seaport town borrowing money for the necessary harbor improvements, and then collecting toll to pay the interest on the debt. It is difficult, however, to understand how this method could be applied to the improvement of certain Atlantic Coast harbors which have figured permanently in harbor legislation, unless the municipalities and states directly affected would consent to pay a considerable proportion of interest on the cost of construction, from the proceeds of taxation.

It may be remarked that Dr. Smith apparently fails to attach sufficient importance to the ownership of docks by railway companies. The tendency toward this form of ownership has been rapid in the United States in recent years. In at least one instance, the Illinois Central docks at New Orleans, the railroad company has gone so far as to offer the free use of its wharves and warehouses to all shippers over its line.

Dr. Smith's conclusions as to tendencies and commercial organization are, first, that safety to navigation will be increased; second, that knowledge of maritime and commercial conditions will be obtained in greater detail than in the present; and third, that the general change from sail to steam, and the increase in the size of steam vessels, and the power of engines, will result in the steady increase of speed and in shorter routes. As a result of these three factors, and also because the steamship line is now being operated in close alliance with railroads and because the percentage of raw materials in ocean traffic is rapidly increasing, trade will, in Dr. Smith's opinion, increase both in volume and steadiness of traffic.

At present the business of ocean transportation is the most irregular and uncertain in the world. Dr. Smith's discussion leads, however, to the conclusion that as the result of the facts above mentioned, and also, because of the increasing diversity of ocean commerce, it will eventually become an industry which, in respect to regularity and dependability, will be comparable to railway transportation.

Dr. Smith has produced one of the most satisfactory pieces of economic.

investigation which has appeared in recent years. He has described in great detail the organization of the business of ocean transportation, and what is of even greater value, he has explained and discussed the operation of the principles which underlie the operations of this important industry. The book will be of practical value to all those who are engaged in the business with which it deals, as well as to students of commerce and commercial geography.

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Veblen, Thorstein. *The Theory of Business Enterprise.* Pp. viii, 400. Price, \$1.50. New York: Charles Scribner's Sons, 1904.

The author presents his theory of the modern economic situation from the view-point of business traffic. The book lacks the desirable quality of terseness and the writer at times wanders from the main line of his subject. A commendable feature is the formulation of many of his statements in symbols of mathematics, which are not incorporated in the text, but in foot-notes. Modern business is no longer based so much upon mere commerce or trade as upon the processes of industry. We deal now in capital, in stocks and bonds, as well as in goods themselves. Industry is no longer so much a quest for livelihood as it is a seeking for profits.

The concluding chapters of the book dwell at some length upon the influences which this "machine process," as he terms the industrial situation, has upon the thought and civilization of the world.

While we may agree that the modern world does have a skeptical, materialistic, matter-of-fact attitude of mind, it seems rather strong to say this view is due to the machine process entirely. Is the Church not losing its influence largely because other institutions are coming in which do its old work more effectively than the church formerly did? In one sense it undoubtedly is due to that influence, for modern business is an outgrowth of the present industrial processes, and business methods have been adopted by these later and more effective institutions.

Business enterprise, to cite the author, may make our literature affected and archaic and may promulgate spendthrift aspirations. To imply that business enterprise will cause man to give up his spiritual beliefs is hard to accept.

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Willoughby, Weston Woodbury. *The American Constitutional System.* Pp. xvi, 323. Price, \$1.25. New York: The Century Company, 1904.

This book contains within small compass a clear and usually exact statement of the constitutional aspects of the political organization of the United States, including the nature of the federal government, its relations to the states and other territory under its sovereignty, the political status of various classes of persons subject to it, and the relations of the states to each other.